



VANNO

virginia network of
nonprofit organizations

FROM PRINCIPLE TO PRACTICE

A Guide to Accountability for
Virginia's Nonprofit Organizations

Nonprofit organizations are essential to the vitality of every Virginia community.

They meet basic human needs, enrich quality of life, sustain societal values and strengthen democracy. Volunteers, board members and employees become involved with a nonprofit because of the organization's public benefit mission. Thus, the continued success of Virginia's nonprofit organizations depends upon broad public support and confidence.

Transparency, sound management practices, and high ethical standards are essential to maintaining public trust. Nonprofit organizations must be willing to engage in the process of evaluation and self-regulation in order to avoid the involuntary imposition of standards by government or self-appointed watch-dog groups. Guidelines for nonprofit accountability are important tools to influence practices and organizational behavior. They ensure that all parties, including governing boards, staff, and external stakeholders, have consistent expectations. Guidelines also clarify responsibilities and provide a vehicle for evaluating actual practices against broadly accepted norms.

Fortunately, several high quality support tools and resources are available to assist nonprofits in building capacity and maintaining public accountability. An excellent list of various guidelines and standards documents can be found at the INDEPENDENT SECTOR website:

www.independentsector.org/issues/accountability/standards2.html

Because of the rich diversity of nonprofit organizations, VANNO encourages each nonprofit in Virginia to draw on the appropriate type of guidelines or standards that best suit your organization. As a starting point, the following pages provide a ***Checklist for Accountability*** developed by INDEPENDENT SECTOR, an ***Assessment*** tool, and suggested ***Action Steps*** for creating a culture of accountability in your organization. Please use this document to assist your staff and board members in discussions, policy development and practices to help guarantee your organization's well-being and sustainability.



INDEPENDENT SECTOR

A vital voice for us all

Summary

Checklist for Accountability

Strengthen your organization's transparency and governance

Building an organization committed to the highest ethical standards demands more than just following the law: it also requires fostering practices that create an environment of transparency, accountability and integrity. The steps listed here will help every charitable organization reassure its stakeholders of its commitment to upholding the public trust vital to earning support and fulfilling its mission. Creating an accountable organization is an ongoing process. Board and staff members should review recommended practices regularly, and adjust their rules, methods and communications as needed. Fortunately, no one has to start this work from scratch. There are many resources available as models, and we encourage you to share your policies and practices with colleagues. Independent Sector recommends that each charitable organization take the following steps to demonstrate accountability. Adapt them to fit your unique circumstances, and check back for updates as the checklist is expanded.



1 Develop a Culture of Accountability and Transparency

Rules, standards, and practices are far more effective when the people they affect understand them, know why they are important, and embrace them. Teach new employees, volunteers, and board members about your principles, and give those with more experience refreshers and updates. Use your website, intranet, and other internal communications vehicles to share examples of good behavior and policies.

2 Adopt a Statement of Values and Code of Ethics

This document describes the ethical principles that an organization's staff, board and volunteers agree to follow, and includes a statement of values articulating the principles it is committed to uphold. An indispensable part of an accountable organization, a statement of values and code of ethics should be approved by the board of directors, included in staff and board orientations, and available to the public on the organization's website.

3 Adopt a Conflict of Interest Policy

Adopt and enforce a conflict of interest policy tailored to your organization's specific needs and consistent with laws in your state. Few actions will undermine the credibility of a charitable organization faster than having its tax-exempt funds not used exclusively for charitable purposes. Adhering to a well-defined conflict of interest policy will help preempt even the perception that funds are being used for personal gain by the managers or board members. Many states have laws that govern conflict of interest situations and all organizations should consult their state laws to ensure that their conflict of interest policy affords them the necessary protections.

4 Ensure that the Board of Directors Understands and Can Fulfill Its Financial Responsibilities

The board has the legal—as well as the ethical—responsibility of ensuring the exclusive and effective use of all assets for charitable purposes. As part of this obligation, the board or appropriate board committee should review and approve all financial statements for completeness and accuracy. To perform this function effectively, the board should include individuals with financial literacy or adopt other mechanisms for drawing on independent financial expertise.

5 Conduct Independent Financial Reviews, Particularly Audits

Charitable organizations need to have independent reviews of their financial procedures, controls, and policies in order to provide strong financial safeguards. Charitable organizations that are required to file a Form 990 or 990-PF and that have average annual revenues of \$1 million or more should have an audit conducted of their financial statements and operations. These statements should be made available for public inspection. Charitable organizations that are required to file a Form 990 or 990-PF and that have at least \$250,000 and under \$1 million in total annual revenues should have their financial statements reviewed by an independent public accountant. Organizations with less than \$250,000 in annual revenues should consider periodically obtaining a review of financial statements or other means of independently verifying financial statements and controls.

Over

See the complete version of this checklist on our website at:
www.IndependentSector.org

6 Ensure the Accuracy of and Make Public Your Organization's Form 990

The IRS Form 990, Form 990-EZ, and Form 990-PF is one way that organizations share information about their finances and operations with charity regulators and the public. To be effective, however, its information must be complete, accurate and publicly available. Be sure to have your Form reviewed by your board and signed by your CEO or CFO. Support efforts to improve the quality and timeliness of information about nonprofits by filing your Form electronically with the IRS. And, finally, be sure to post it on your website.

7 Be Transparent

Your donors, volunteers, and staff will have much more confidence in your organization's work if they know how you're doing it. Use your website to share documents that provide information about your finances, operations, governance, and impact.

8 Establish and Support a Policy on Reporting Suspected Misconduct or Malfeasance ("Whistleblower Protection Policy")

In order to protect the credibility of your organization, each organization needs policies and procedures that encourage individuals to come forward as soon as possible with credible information on illegal practices or violations of adopted policies. Employees and volunteers who identify misbehavior must feel safe to report it. Not only is this good practice, but the Sarbanes-Oxley Act requires all entities, including nonprofit organizations, to protect whistleblowers and levies criminal penalties for actions taken in retaliation against whistleblowers.

9 Remain Current with the Law

Make sure that a board member, member of staff, consultant or volunteer is designated to keep up to date with the law. Ensure that your organization fully complies with all existing laws governing charitable organizations.

Test Your Accountability IQ



Does Your Organization:

- ☐ Hold staff and board trainings on ethics or take other measures to foster a culture of accountability and transparency?
- ☐ Have a code of ethics and statement of values and post it on your website?
- ☐ Follow a conflict of interest policy and post it on your website?
- ☐ Have board members with financial expertise?
- ☐ Have its financial statements independently audited?
- ☐ Have board members review financial statements, including the Form 990?
- ☐ Have your CEO or CFO sign the Form 990?
- ☐ File your Form 990 electronically?
- ☐ Post your Form 990 on your website?
- ☐ Post your policies, financial information, and information on programs results on your website?
- ☐ Have a whistleblower policy?
- ☐ Take steps to remain current with the law?

Give your organization one point for every yes. If your organization scores:

- 12:** Great, keep it up and pass along your success stories and model policies for others to learn from.
- 9-11:** Good, but there's room for improvement.
- 6-8:** You've indicated a commitment to accountability but need to advance beyond the basics.
- 0-5:** Time to get serious about accountability. Engage your board, staff, and volunteers quickly to help make the needed changes.

Visit www.independentsector.org for:



- ✓ Insights on how to foster a culture of accountability;
- ✓ Tips on what a conflict of interest policy should include;
- ✓ Model statement of values and code of ethics;
- ✓ Example of a whistleblower policy;
- ✓ More than 100 policies from IS member organizations for review;
- ✓ Helpful publications and tools;
- ✓ Recommendations from The Panel on the Nonprofit Sector... and much, much more

Independent Sector | 1200 Eighteenth Street NW, Suite 200, Washington, D.C. 20036 | Phone: 202-467-6100

The Checklist for Accountability combines recommendations made by Independent Sector and the Panel on the Nonprofit Sector. It was developed with the additional input of the Ethics and Accountability Committee and Communications and Marketing Advisory Task Force.

A SSESSING YOUR ORGANIZATION'S FOUNDATION...

Healthy nonprofits are built on a strong foundation of documentation, systems and support mechanisms that enhance their accountability, sustainability and effectiveness. Not only must board members and staff understand all the various pieces that are required, but these documents must be readily accessible and up to date.

The following list provides a comprehensive guide to assess the strength of your organizational foundation. Use it to identify which pieces are in place, when they were last updated, and where they are located.

This tool is designed for maximum flexibility. Most items are required for all nonprofits, but there will be some exceptions depending on your organization's size, mission, and numbers of staff or volunteers. You must decide whether an item is appropriate, or "not applicable." If you mark it "N/A," annotate with a reason so those who follow after you will understand why you made that decision.

This is not a task of "busy work." Much of this information is needed to receive grant funding. Some of these items are state or federal requirements: failure to comply with regulations may threaten your continuation as a nonprofit. The practical exercise of reviewing this list ensures that your organization is able to answer questions about its operation quickly and accurately. Finally, it serves as an excellent tool for orienting new staff and board members during times of leadership transition.

"Transparency is a very trendy word right now but has always been value added both internally and externally for nonprofits. Why? Because by letting your staff, your board and your community know what you are doing, you reduce if not remove suspicion, increase trust (an essential element for fund-raising and recruitment of volunteers) and increase public input."

Paul C. Light, author
Pathways to Nonprofit Excellence
The Brookings Institution

Yes	No	N/A	Planning	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Guiding Values		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Mission Statement		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Operational/Strategic Plan <i>(including system to monitor progress)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Vision Statement		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

Yes	No	N/A	Governance	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Articles of Incorporation		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Board Resolutions/Minutes Book		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Board and Committee Policy Handbooks		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bylaws <i>(include board liability and indemnification language)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Committee Descriptions <i>(purpose, composition, and activities)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Compensation Documentation <i>(executive and other staff)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Conflict of Interest Policy and Procedures		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Disaster Recovery Plan		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Executive Evaluation Plan		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Leadership Succession and Transition Plan <i>(volunteer leadership and staff executive)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Liability Insurances <i>(Director and Officer, General, Volunteer, etc.)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia Retail Sales and Use Tax Exemption <i>(Virginia Department of Taxation)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Orientation, Training and Evaluation Plans <i>(for board members)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Risk Evaluation and Management Systems		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			

Yes	No	N/A	Human Resources	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Benefits Documentation		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Criminal and Driving Records		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Federal Fair Labor Standards Act		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Human Resources Records Retention Policy		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia and Federal Required Postings (OSHA)		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Organizational Chart		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Personnel File <i>(for each employee)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Application with Original Employee Signature		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation of Disciplinary Action		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	INS Documentation <i>(Immigration and Naturalization Services; note changes due to Patriot Act and Homeland Security)</i>		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Performance Evaluations		

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Tax Forms (<i>I-9 and W-4</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resume	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Reference Check Documentation	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other Conditions for Employment - documentation (<i>drug test results, certifications, etc.</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Position Descriptions (<i>written for staff and volunteers</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Standards and Policies for Working with Contractual Employees and Consultants (<i>guidelines for selection, hiring and monitoring</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____

Yes	No	N/A	Policies and Procedures Manuals - separate and appropriate for Personnel and Volunteers (individual signatures of understanding and acceptance) - a list of possible and recommended contents follows:	Date	Location
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Attendance/Leave	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Code of Ethics	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Confidentiality Policies and Procedures	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Conflict of Interest (<i>including disclosure of relationships</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	EEO/AA (<i>Equal Employment Opportunity/ Affirmative Action</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Eligibility and Classifications	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Expense Reimbursement	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Grievance	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Nondiscrimination, Diversity and Harassment	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Orientation, Training and Evaluation (<i>staff and volunteers</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Technology/Equipment Access and Use	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Whistle Blower Policy (<i>confidential reporting of alleged impropriety</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	

Yes	No	N/A	Financial Management	Date	Location
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<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Asset and Cash Management Policies and Procedures	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Audit Committee Policies and Procedures	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Budgets (<i>revenue/expenses</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Bulk-rate Postage Permit	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Chart of Accounts	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Contract Management Policies and Procedures (<i>bidding system, contracts, evaluation and monitoring tools</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Documentation of Accounting Policies and Systems (<i>meet Financial Accounting Standards Board (FASB) and/or Government Accounting Standards Board (GASB) requirements</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Financial Records Retention Policy	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Internal Control Procedures	_____	

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Investment Policy Statement	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	IRS Determination Letter and Form 1023 on file	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	IRS Form 990 or IRS 990-EZ (<i>to be filed by the 15th day of the 5th month after the end of your fiscal year -- www.irs.gov/charities</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia State Corporation Commission Filing (<i>Annual Report and registration fee to be filed annually by the given due date</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Payroll - federal, state and local quarterly withholdings/filings	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Spending Limits Policy	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Signature Authority	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	UBIT (<i>Unrelated Business Income Tax</i>) Reporting	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Whistle Blower Policy (<i>confidential process for reporting suspected financial fraud</i>)	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____

Yes	No	N/A	Fundraising	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Case Statement	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Donor Database (<i>contributions/restrictions</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Donor Recognition Plan (<i>include provisions for privacy</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Fund Development Plan	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Gift Acceptance and Recognition Policy (<i>include in-kind donations, address fair market value and disposal of assets</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Grants Management System	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Copy of every proposal, acceptance/denial, evaluation, database, correspondence	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Reporting requirements, due dates	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Individual Donor Requirements	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Charitable Solicitation Forms (<i>Form 102 of the VA Office of Consumer Affairs, filed annually -- www.vdacs.virginia.gov/consumers/oca</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	

Yes	No	N/A	Transparency and Accountability	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Annual Report (<i>publicly available</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Communications and Public Relations Plan	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Confidentiality Policies and Procedures (<i>all constituents</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document Retention and Destruction Policy	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Forms 1023, 990 and variants (<i>publicly available</i>)	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Marketing Plan	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	

Yes	No	N/A	Public Policy and Advocacy - Communications	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Advocacy Policy/Plan	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	501(H) Election	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Virginia Lobbyist Registration and other required documentation (<i>required of the lobbyist; www.dcg.state.va.us/licensing</i>)	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

Yes	No	N/A	Information and Technology	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Data Collection System (<i>to support continuous improvement and evaluation</i>)	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Management Information Systems (MIS) Policies and Procedures, including Internet and e-mail use Policies	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

Yes	No	N/A	Strategic Alliances	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Accreditation Information (<i>as applicable</i>)	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Memo of Agreement/Understanding for each collaborative commitment	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

Yes	No	N/A	Evaluation	Date	Location
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Accountability and Monitoring Systems	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Community Needs/Assets Assessment	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Environmental Scan	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Formative Evaluation - opportunities to reflect on ways to improve organization and programs	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Outcome Evaluation - documentation of how the organization is making a difference	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____	_____

VANNO wishes to thank the many professionals within Virginia's nonprofit community for providing input to define the accompanying *Principles to Practice: A Guide to Accountability for Virginia's Nonprofit Organizations* and this checklist. Particular appreciation goes to the Michigan Nonprofit Association which gave VANNO permission to use its checklist as a template for this assessment tool.

An electronic version of this assessment document may be obtained by contacting VANNO at info@VANNO.org.

TAKING ACTION...

“Accountability for the nonprofit sector means setting realistic expectations for change and pursuing actions that have meaning for people...These efforts are vitally important for any nonprofit that strives to be both successful and sustainable.”

Richard C. Harwood, author
Accountability and the Sustainable Nonprofit

Here are some practical ways to help board members and staff understand and use this document as they engage in their real-life work on behalf of your organization’s mission.

- Take the **Accountability IQ** quiz on page 2. Use the results to determine where specific improvement is most needed.
- Share this information and other relevant standards with all board members, perhaps during a retreat or planning session. Encourage the board to adopt the Independent Sector standards as the organization’s guide for accountability and best practices.
- Reference these standards in role descriptions for board members and officers. Task the governance committee with scheduling a periodic review and educating incoming board members about accountability practices.
- Devote a few minutes at each board meeting to focus on one of **Checklist** topics. Discuss how well you think your organization measures up, share relevant information, and identify one or two actions that might be taken to improve. Invite an expert to educate the group and answer questions.
- Include these standards as a part of your strategic plan. Incorporate some of the wording into your goals, value statements, and even your business cards.
- Share this information and other relevant standards with the staff and discuss how they relate to everyone’s roles and responsibilities.
- Appoint a task force to review each item of the **Assessment** and determine what is missing. Develop a plan for addressing the gaps.
- Throughout the year, perhaps quarterly, hold a staff education meeting concentrating on one or two of the accountability topics.
- For executive directors, convene a quarterly meeting with other nonprofit executive directors in your area to discuss the **Checklist for Accountability** and share the challenges and opportunities of compliance.
- Devote a section of your website to demonstrating your level of “transparency.” Include information about your conflict of interest policy, code of ethics, financial audits, and commitment to standards of accountability.

Established in 2004, the Virginia Network of Nonprofit Organizations (VANNO) connects nonprofits to advance effective practices and enhance their ability to meet the diverse needs of communities throughout the Commonwealth. VANNO's goals are to:

- Maximize access to information, training and product discounts
- Disseminate best practices in management and governance
- Promote ethical and accountable activity
- Encourage understanding of and engagement in public policy
- Communicate the value of the sector to key stakeholders

Membership in VANNO is open to any 501(c)(3) organization in Virginia, regardless of size or mission. For more information, visit our website at www.vanno.org or contact us at 804-794-8689 or info@vanno.org.

“There is great power in the work of collaborative membership organizations like VANNO. As nonprofit leaders, we know our community well from first-hand observation and when we join all of our voices together we have the most potential to create meaningful change. Renewing my membership is an easy decision for me and my agency.”

Nathan R. Monell, Executive Director
Northern Virginia AIDS Ministry (NOVAM)
Falls Church, VA

Printing courtesy of Northrop Grumman



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